COCHIN LEGISLATIVE ASSEMBLY PROCEEDINGS

OFFICIAL REPORT OF THE VRISCHIGAM MEETING, 1124

Tuesday, *the* *30th November 1948* / *15th Vrischigam 1124*

The Assembly met in the Town Hall, Ernakulam, at Half-past Eleven of the Clock with the Hon'ble President (Mr. L. M. Pylee M.A., B.L.,) in the Chair.

Rao Bahadur T. K. Nayar and Mr. M. Bhaskara Menon were absent.

I. QUESTIONS AND ANSWERS

(*N.B.* The numbers in ordinary, thin type represent the numbers in the order of receipt of notice.)

REPORT OF THE SPECIAL INVESTIGATING OFFICER—SUBMISSION OF —PARTICULARS REGARDING

1. (292) **Mr. C. V. Iyyu** *(Kunnamkulam):* Will Government be pleased to state.—

(*a*) whether Mr. Kunwar Sen, the Special Investigating Officer appointed by the Government on deputation from the Central Government to investigate the Damodaran case and allied cases has submitted his report;

(*b*) if so, what further steps the Government mean to take to book the offenders ;

(*c*) whether they mean to take any steps to prevent such huge defalcations of public fund hereafter ?

Mr. E. Ikkanda Warriar *(Prime Minister):*

(*a*) No.

(*b*) Does not arise in view of answer to (*a*) above.

(*c*) what special steps are to be taken in such matters will be decided after the report is received.

Mr. C. V. Iyyu *(Kunnamkulam):* May I know, Sir, whether Mr. Kunwar Sen is going to submit a report to the Government of Cochin or to the Dominion Government?

Mr. E. Ikkanda Warriar (*Prime Minister*): He will firt submit the report to the Dominion Government.

Mr. C. V. Iyyu *(Kunnamkulam):* How will the Government of Cochin know of it?

Mr. E. Ekkanda Warriar (*Prime Minister*): The Dominion Government will send it to the Cochin Government.

Mr. C. V. Iyyu (*Kunnamkulam*): Why not the Government move the Dominion Government that the report may be submitted to this Government first since this is an offence committed within the jurisdiction of this Government?

Mr. E. Ikkanda Warriar (*Prime Minister*): I do not think that there will be much difference except a delay of a day or two which will not matter very much. Anyway that question will be looked into.

INDO-MERCANTILE BANK—PARTICULARS REGARDING

2. (206 & 207) **Mr. K. I. Velayudhan** *(Pazhanji):* Will Government be pleased to state.—

(*a*) the name, address, qualification and salary of the General Secretary of the Indo-Mercantile Bank Ltd., Cochin;

(*b*) whether they are aware of any special reason for appointing Mr. M. R. Menon as the General Secretary of the Indo-Mercantile Bank Ltd., Cochin?

Mr. P. Govinda Menon *(Minister for Finance and Law) :*

(*a* and *b*) The bank is an autonomous body; Government cannot answer these questions

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മിസ്റ്റർ കെ. ഐ. വേലായുധൻ: ഈ ബാങ്ക് ഒരു autonomous body ആയതുകൊണ്ട് നിയമനങ്ങളെസംബന്ധിച്ച ഉത്തരം പറയാൻ സാധിക്കുകയില്ലെന്ന പറഞ്ഞുവല്ലൊ. എന്നാൽ ന-ാം ചോദ്യത്തിൽ പറഞ്ഞിട്ടുണ്ട് ബാങ്കിലെ മാനേജ്മെണ്ടുമായി ഗവമ്മെണ്ടു ചില agreement ചെയ്തിട്ടുണ്ടെന്ന്. അങ്ങിനെയാണെങ്കിൽ ഗവമ്മെണ്ടിന്ന് ഈ നിയമനകാര്യത്തിൽ യാതൊന്നും ചെയ്യുവാൻ സാധിക്കുകയില്ലെ?

മിസ്റ്റർ പി. ഗോവിന്ദമേനോൻ: Management-ം ആയിട്ടുള്ള agreement-ൽ ബാങ്കിലെ ഉദ്യോഗനിയമനത്തെ സംബന്ധിച്ച് ഒന്നുംതന്നെ ചെയ്തിട്ടില്ല.

മിസ്റ്റർ കെ. ഐ. വേലായുധൻ: ഗവമ്മെണ്ടിന്ന അതിൽ യാതൊരു hand-ും ഇല്ലെന്നാണൊ പറയുന്നത്?

Mr. P. Govinda Menon *(Minister for Finance and Law):* The appointment was made by the Managing Committee of the Bank.

മിസ്റ്റർ കെ. ഐ. വേലായുധൻ: സാധാരണ ബാങ്കുകൾ കൊച്ചി രാജ്യത്തു പൊളിഞ്ഞുപോകുന്ന അവസ്ഥകളിൽ ഗവമ്മെണ്ടു് ഏറെറടുക്കലും, ഷെയർ പിരിച്ചെടുക്കലും പതിവുണ്ടോ?

മിസ്റ്റർ പി. ഗോവിന്ദമേനോൻ: അതു ഓരോ സന്ദർഭം അനുസരിച്ചിരിക്കും.

Mr. President: Let me clarify this point. The name, address, qualification and salary of the General Secretary—whether they are aware of any special reason to appoint Mr. M. R. Menon.

Mr.C.V. Iyyu *(Kunnamkulam):* I have to submit, Sir, that both the questions may be put together and supplementery questions may be asked.

Mr. President: Questions 2 and 3 may be put together.

3. (148) **Mr. K. W. Muralidhara Marar** *(Tripunithura):* Will Government be pleased to state.—

(*a*) whether they have advanced any amount to the Indo-Mercantile Bank Ltd.;

(*b*) If so, how much;

(*c*) what is the agreement, if any, between the bank and the Government regarding the management;

(*d*) what measures the Government have taken to safeguard the interests of the depositors?

Mr. P. Govinda Menon *(Minister for Finauce and Law):*

(*a*) Yes.

(*b*) Rs. 15 lakhs.

(*c*) There will be three members nominated by Government including the Chairman of the managing Committee of five.

(*d*) The Government nominees have the controlling power in the management of the Bank.

Mr. P. K. Dewer *(Labour):* May I know, Sir, when this appointment was made?

Mr. E. Ikkanda Warriar *(Prime Minister):* I do not know the exact date, but I think it was made a few days back.

Mr. P. K. Dewer *(Labour):* May I know, Sir, whether the Government have anything to do with the changing of the personnel?

Mr. President: Questions 2, 3 and 4 may be put together.

4. (203) **Mr. K. I. Velayudhan** *(Pazhanji):* Will Government be pleased to state.—

(*a*) whether there was a proposal to depute an Officer of the rank of an Assistant Accountant-General to the Indo-Mercantile Bank, Ltd., Cochin as the General Secretary thereof;

(*b*) if the answer to the above question is in the affirmative, will Government be pleased to state why it was not accepted?

Mr. P. Govinda Menon *(Minister for Finance and Law):*

(*a*) No.

(*b*) The question does not arise.

Mr. P. K. Dewer *(Labour):* May I know, Sir, whether the Government are aware that there was another man as General Secretary before they made this 15 lakhs contribution to the bank?

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Mr. P. Govinda Menon *(Minister for Finance and Law):* The Bank had an other General Secretary.

Mr. P. K. Dewer *(Labour)*: Then Mr. M. R. Menon was newly appointed. May I know Sir, whether it was done at the instance of the Government or whether the Government wanted a change in the Secretaryship?

Mr. P. Govinda Menon *(Minister for Finance and Law)*: The appointment was made by the Government.

Mr. P. K. Dewer *(Labour):* Was it not a condition precedent to the paying of this 15 lakhs that the personnel of the Secretary must be changed.

Mr. P. Govinda Menon *(Minister for Finance and Law)*: I want notice, whether it was a condition precedent.

Mr. K. I. Velayudhan *(Pazhanji):* May I know, Sir, whether the appointment of the Chairman of the Managing Committee was made by Government?

Mr. P. K. Dewer *(Labour)*: May I know, Sir, this measure is sufficient to protect the interest of the depositors or the Government?

Mr. P. Govinda Menon *(Minister for Findnce and Law):* It was that by Government that this will safeguard the interest of the depositors.

Mr. A. K. George *(Kattur):* Whether any security has been taken.....

Mr. P. Govinda Menon *(Minister for Fanance and Law)*: No security has been taken and that why simultaneously with the advance of this amount it was stipulated that 3 out of the 5 members of the Managing Committee will be nominees of Government.

Mr. P. K. Dewer *(Labour)*: May I know, Sir, whether the Government are aware of the fact that certain fixed depositors agreed of withdrawing their deposits for two years as peorder signed by the Financial Secretary?

Mr. P. Govinda Menon (*Minister for Finance and Law*): Some depositors have helped the bank by not withdrawing their deposits.

Mr. A. K. George (*Kattur*): May I know, Sir, whether Government stand by the agreement and have given them a guarantee?

Mr. P. Govinda Menon (*Minister for Finance and Law*): No guarantee has been given by the Government.

Mr. K. I. Velayudhan (*Pazhanji*): May I know, Sir, what is the rank of the General Secretary?

Mr. P. Govinda Menon *(Minisier for Finance and Law)*: The General Secretary of the bank is an employee of the bank and there is no comparison to him with the Accountant-General.

Mr. A. K. George (*Kattur*): May I know, Sir, what is the idea of circulating such a circular to the depositors so that they may waive their right for two or three years as the case may be? A circular was sent by the Government Chief Secretary.

Mr. P. Govinda Menon (*Minister for Finance and Law*): I am not aware of the contents of the circular. But; does the Hon'ble Member mean to say that there is a guarantee by the Government?

Mr. A. K. George *(Kattur)* If there is no guarantee stipulated in the circular, I fail to know what is the idea of passing such a circular with tha stamp of the Government authority there, signed by the Chief Secretary to Government?

Mr. P. Govinda Menon (*Minister for Finance and Law*): But, I understand there is no guarantee in the Circular.

REPORT OF THE SPECIAL INVESTIGATING OFFICER—PORINGALKUTHU HYDRO-ELECTRIC SCHEME—INFORMATION REGARDING

5. (99) മിസ്റ്റർ എ. ഈച്ചരമേനോൻ : താഴെ പറയുന്ന ചോദ്യങ്ങൾക്ക് ബഹുമാനപ്പെട്ട ഗവണ്മെന്റ് ദയവു ചെയ്ത് മറുപടി പറയുമോ.—

(എ) പെരിങ്ങൽകുത്ത് കുഴപ്പങ്ങളെ അന്വേഷിക്കാൻ വന്ന വിദഗ്ദ്ധന്റെ റിപ്പോർട്ട് മേശപ്പുറത്തു വെക്കാമോ;

(ബി) ഈ വിദഗ്ദ്ധന്റെ റിപ്പോർട്ടിൽ എക്സിക്യൂട്ടീവ് എഞ്ചിനീയർമാർ അവരുടെ അഭിപ്രായം രേഖപ്പെടുത്തിയിട്ടുണ്ടോ; ഉണ്ടെങ്കിൽ അതുകൂടി മേശപ്പുറത്തു വെക്കാമോ;

(സി) ആ റിപ്പോർട്ടിൽ ഗവണ്മെന്റിന്റെ ഉത്തരവ് എന്തായിരുന്നു ?

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